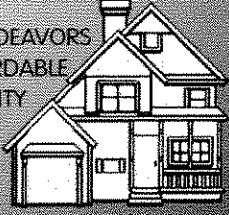


REACH

REALTY ENDEAVORS
FOR AFFORDABLE
COMMUNITY
HOUSING



BUILDING HOUSING • A WORKFORCE • A COMMUNITY

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A Non-Profit Corporation

CENTRAL FALLS NEIGHBORHOOD STABILIZATION PLAN

At one square mile, Central Falls is the size of a city neighborhood. Dealing with any boarded-up building promotes neighborhood stabilization.

This leads to a building by building analysis. First to be considered is the condition of the building, especially the status of the foundation. If the building is structurally unsound, how much would it cost to save it? Would the resulting product be worth the investment? If that cost is excessive, what would be the total development cost for demolition and subsequent new construction? In figuring that, one must take into account the size and topography of the site and the zoning regulations that apply to it.

If a preliminary determination leads to the tentative conclusion that rehab might be feasible (in Central Falls most of these foreclosures are in need of gut rehab), then a look at the building's superstructure is called for. Does it have additions with a flat roof? Are there extensive architectural details which will drive up the cost? Does the number of units lead to extensive, expensive fire code work?

Finally, take a look around. Is there room for parking? Is it near buildings REACH has developed? Is it on a block which has historically been a good one but is now threatened with decrepitude?

If one tried to find a building that met all of these criteria, he might find one or two. So, the answers to all of these questions must be weighed one against another.

These, then, are the measurements which are averaged across the plan. It includes a number of assumptions about other funding sources which may or may not materialize.

OUTLINE:

20 units @ \$110,000 (average) \$2,200,000

10 first time home buyers (one and two family houses)

10 rental units affordable at 50% of median income

Sources:

NSP	850,000
Mortgage financing	600,000
Lead abatement	100,000
CDBG	100,000
Weatherization	36,000
HOME	200,000
Building Homes	314,000

Public improvements:

In 2008 the Pawtucket Water Supply Board began a multiyear program of replacing all the water mains in Central Falls and repaving the streets above them. Given the current parlous state of City and State finances, we do not anticipate any more improvements beyond this extensive project.

Marketing:

For rental units we will continue to use the services of Ferland Property Management which over the years has attained a vacancy rate of less than 5%.

For home ownership, we may consider the hiring of a realtor if the signs and word-of-mouth which have worked for us over the years in Central Falls are no longer successful. The key to this approach is keeping the price low and delivering a product which, whether new construction or gut rehab, is new. To do this, the 20% NSP write down is crucial.